

2006-2007 PERFORMANCE PLAN – PORTFOLIO MANAGER, ACTIVE EQUITY (Doffing)

Quantitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule
60%	Internal Active Equity	Excess return in basis points relative to: Active Internal Equity Long-Short Portfolio vs. CalPERS Custom Wilshire 2500. (SW5J vs. Y082)	0 basis points = 0 +30 basis points = 1.0 +60 basis points = 1.5
15%	Global Equity	Excess return in basis points relative to: Global Equity benchmark. (GLOBLIC vs. CPERSGE2)	-50 basis points = 0 -10 basis points = 1.0 +15 basis points = 1.5
75%	Subtotal	Quantitative Measures	

Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule
15%	Leadership	Demonstrate leadership within CalPERS and in the external investment community.	From Schedule
10%	Long-Short Strategy for Developmental Fund	Complete the research and implementation of a domestic long-short equity fund for inclusion in the Global Equity Developmental Fund by March 31, 2007.	From Schedule
25%	Subtotal	Qualitative Measures	
100%	Total	Quantitative and Qualitative Measures	

Supervisor's Approval: *Original signed by Christy Wood*

Date: June 7, 2006